REPUBLIC OF THE PHILIPPINES
PHILIPPINE STATISTICS AUTHORITY
CEBU PROVINCIAL STATISTICAL OFFICE

SPECIAL RELEASE

Summary Inflation Report in City of Lapu-Lapu
Consumer Price Index for the Bottom 30% Income Households
(2018=100)

August 2024

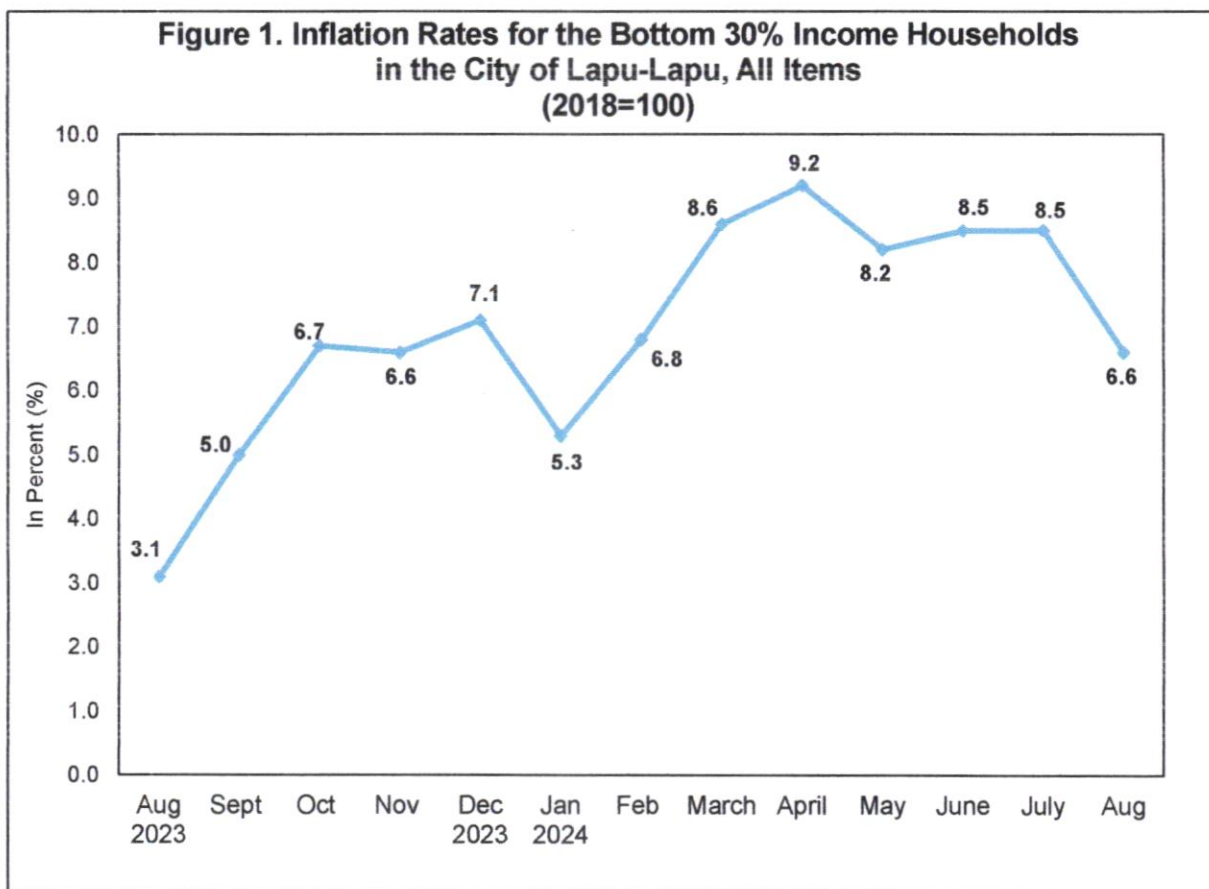**Date of Release:** 06 September 2024
Reference No.: 2024-SR22-065

Table A. Year-on-Year Inflation Rates
for the Bottom 30% Income Households, All Items
In Percent
(2018=100)

Area	August 2023	July 2024	August 2024	Year-to-date*
Philippines	5.6	5.8	4.7	4.9
Central Visayas	5.7	7.7	5.2	4.8
City of Lapu-Lapu	3.1	8.5	6.6	7.7

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of
Consumer Price Index
*Year-on-year change of CPI for January to August 2024 vs. 2023

Figure 1. Inflation Rates for the Bottom 30% Income Households in the City of Lapu-Lapu, All Items (2018=100)

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

A. The Philippines

The country's inflation rate for the bottom 30% income households slowed down to 4.7 percent in August 2024 from 5.8 percent in July 2024. This brings the average inflation from January to August 2024 for this income group to 4.9 percent. In August 2023, inflation rate was posted at 5.6 percent. (Table A)

B. Central Visayas

1. Regional Inflation

Following the trend at the national level, inflation rate for the bottom 30% income households in Central Visayas eased to 5.2 percent in August 2024 from 7.7 percent in August 2024. The region's average inflation for this income group from January to August 2024 stood at 4.8 percent. In August 2023, the inflation rate in the region recorded at 5.7 percent. (Table A)

C. City of Lapu-Lapu

1. Headline Inflation

The headline inflation rate for the bottom 30% income households in the City of Lapu-Lapu slowed down at 6.6 percent in August 2024 from 8.5 percent in July 2024. This brings the city's average inflation at 7.7 percent from January to August 2024. In August 2023, the inflation rate was lower at 3.1 percent. (Table A and Figure 1)

1.1 Main Drivers to the Downward Trend of Headline Inflation in the City of Mandaue

The main drivers to the deceleration of the headline inflation rate during the month were mainly brought by the slower year-on-year increases of food and non-alcoholic beverages at 4.0 percent, housing, water, electricity, gas and other fuels at 10.1 percent and transport at 4.5 percent from their previous month's respective inflation rates at 6.2 percent, 12.4 percent and 6.2 percent. (Table 3)

In addition, slower annual increments were also noted in the indices of the following commodity groups:
   a. Restaurants and accommodation services, 17.4 percent from 18.1 percent;
   b. Clothing and footwear, 3.0 percent from 6.6 percent;
   c. Personal care, and miscellaneous goods and services, 7.6 percent from 8.9 percent;
   d. Furnishing, household equipment and routine household maintenance, 3.4 percent from 4.1 percent;
   e. Alcoholic beverages and tobacco, 2.8 percent from 3.4 percent;
   f. Health, 3.9 percent from 4.6 percent; and
   g. Recreation, sport and culture, 16.1 percent from 16.7 percent. (Table 3)

On the contrary, information and communication had a faster annual increase at 2.3 percent in August from 2.1 percent in July 2024. (Table 3)

Moreover, education services index retained its previous months inflation rate at 2.3 percent while no price movement for financial services index. (Table 3)

1.2 Main Contributors to the Headline Inflation

The following commodity groups were the top three contributors to the August 2024 overall inflation for the bottom 30% income households in the City of Lapu-Lapu:

   a) Food and non-alcoholic beverages with 30.1 percent share or 2.0 percentage points;
   b) Housing, water, electricity, gas and other fuels with 27.5 percent share or 1.8 percentage points; and
   c) Restaurants and accommodation services with 27.2 percent share or 1.8 percentage points.

2. Food Inflation

Food inflation rate for the bottom 30% income households in the City of Lapu-Lapu decreased to 4.2 percent in August 2024 from 6.8 percent in July 2024. In August 2023, the food inflation stood at 4.2 percent. (Table 7)

2.1 Main Drivers to the Downtrend of Food Inflation

The downtrend of food inflation was primarily driven by the faster year-on-year decrease of fish and other seafood at 12.1 percent in August 2024 from 6.4 percent annual drop in July 2024. Also contributed to the trend of food inflation were the slower annual increments of rice at 8.7 percent and meat and other parts of slaughtered land animals at 7.7 percent from their previous month's respective inflation rates at 17.4 percent and 10.6 percent. (Table 5)

Faster year-on-year decrease was recorded in vegetables, tubers, plantains, cooking bananas and pulses index at 0.9 percent during the month from 2.7 percent annual increase in July 2024. (Table 5)

In addition, slower annual increases in the indices of ready-made food and other food products not elsewhere classified at 8.2 percent and flour, bread, and other bakery products, pasta products and other cereals at 2.6 percent and during the month from their respective inflation rates at 11.3 percent and 2.7 percent. (Table 5)

In contrast, faster annual increments were noted in the indices of following food groups:

a. Corn, 72.2 percent from 20.2 percent;
b. Milk, other dairy products and eggs, 1.9 percent from 1.0 percent; and
c. Fruits and nuts, 19.5 percent from 14.4 percent. (Table 5)

Slower annual decrease was observed in sugar, confectionery and desserts index at 0.9 percent in August 2024 from 1.0 percent annual decline in July 2024. (Table 5)

Meanwhile, oils and fats retained its previous month's inflation rate at 0.1 percent.(Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation contributed 29.6 percent share or 2.0 percentage points to the August 2024 overall inflation for this particular income group.

Among the food groups, the main contributors to the food inflation during the month were the following:

a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals with 98.8 percent share or 4.2 percentage points;
b. Meat and other parts of slaughtered land animals with 21.5 percent share or 0.9 percentage point; and

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c. Fruits and nuts with 13.1 percent share or 0.6 percentage point.

Table B. Year-on-Year Inflation Rates for the Bottom 30% Income Households in the City of Lapu-Lapu, All Items
In Percent
January 2019 – August 2024
(2018=100)

Month	Year					
	2019	2020	2021	2022	2023	2024
January	3.0	3.7	-1.5	4.6	4.5	5.3
February	3.3	2.0	0.2	2.1	5.9	6.8
March	2.4	1.5	2.2	1.0	3.5	8.6
April	1.7	-1.6	4.8	1.3	2.7	9.2
May	1.4	-1.7	5.3	1.6	2.9	8.2
June	-0.5	1.3	3.7	1.3	3.4	8.5
July	-1.5	1.3	4.2	2.0	2.1	8.5
August	-1.7	0.6	3.0	3.1	3.1	6.6
September	-1.7	-0.1	3.4	3.5	5.0	
October	-2.2	0.0	3.2	3.7	6.7	
November	-0.9	0.5	2.5	4.4	6.6	
December	1.2	0.7	2.2	4.8	7.1	
Average	0.4	0.7	2.7	2.8	4.5	7.7

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

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TECHNICAL NOTES

The Philippine Statistics Authority generates and announces the monthly Consumer Price Index (CPI) based on a nationwide survey of prices for a given basket of goods and services. Two important indicators, the inflation rate and purchasing power of the peso (PPP), are derived from the CPI which are important in monitoring price stability and the value of the country's currency.

The **CPI** is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to a base year.

Retail Price is the price at which a commodity is sold for spot in small quantities for consumption.

Base Period/Base Year is the period, usually a year, at which the index number is set to 100. It is the reference point of the index number series.

Market Basket is a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

Weight is a value attached to a commodity or ground of commodities to indicate the relative importance of that commodity or group of commodities in the market basket.

Inflation Rate is equivalent to a decline in the purchasing power of the peso. It is the change in the CPI over a specific period of time (usually a month or a year). That is,

$$Inflation\ Rate = \frac{CPI_2 - CPI_1}{CPI_1} * 100$$
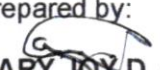
where:
CPI_1 - is the CPI in the previous period
CPI_2 - is the CPI in the current period

The **Purchasing Power of the Peso (PPP)** is a measure of the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100. That is,
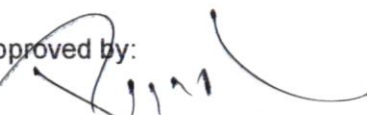
$$PPP = \frac{1}{CPI} * 100$$

Headline Inflation is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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